

To the Members of the California State Senate:

I am returning Senate Bill 980 without my signature.

This bill requires the Public Utilities Commission to assist the California State Energy Resources Conservation and Development Commission in the evaluation of the adequacy of the electric distribution system of specified local publicly-owned utilities.

Notwithstanding the merits of addressing problems with the electric distribution system throughout the state, this is an activity that public-owned utilities can undertake on their own. Indeed, they have a responsibility to evaluate their distribution systems as often as deemed appropriate by their elected governing boards.

Additionally, implementation of this bill would be funded from the Public Utilities Reimbursement Account and the Energy Resources Program Account. Because both of these accounts are funded by the ratepayers of the state's investor-owned utilities, this bill requires investor-owned utility ratepayers to pay for an evaluation of publicly owned utility distribution systems. This is an inappropriate use of ratepayer funds.

For these reasons, I am returning this bill without my signature.

Sincerely,

Arnold Schwarzenegger